

California State Teachers' Retirement System

Refund Application

Information and Instructions

General Information

Taking a Defined Benefit and Defined Benefit

Supplement refund terminates your membership with the California State Teachers' Retirement System (CalSTRS) and forfeits your rights to all CalSTRS benefits.

Distribution Information: If you made contributions after January 1, 2001, you have both a DB and DBS account. Your request must be for a refund of all the accumulated contributions and interest in both your DB and DBS accounts.

You must terminate all CalSTRS-covered employment in the California public school system and your date of termination must have passed to be eligible to apply for a refund. Termination means: action by the employee, such as employment resignation or action by the employer, such as dismissal or layoff. Termination does not automatically occur at the end of the school year. Substitute teaching, including part-time substituting, qualifies as employment and must be terminated.

Redeposits of Withdrawn Contributions

- DB Account. If you decide to redeposit the withdrawn DB contributions (plus interest) and reinstate to active status, the unused sick leave that was accumulated before your refund will not be included in the calculation of service credit when applying for a subsequent service retirement benefit.

- DBS Account. Withdrawn DBS contributions plus interest may not be redeposited.

Payment Timeframe

- DB Account. Your refund may be processed in two phases. The initial check for the contributions and interest posted to your account as of the date of the refund will be mailed within 30 days of receipt of a valid refund application by CalSTRS. If additional contributions and interest are posted to your account after the initial refund check is issued, a second check will be mailed approximately four months later.
- DBS Account. Current law imposes a mandatory one-year (12 consecutive months) waiting period from the date of your last CalSTRS-covered employment to the date a refund can be paid. While your DBS funds remain in your DBS account, they will continue to earn interest. If you return to CalSTRS-covered employment within the one-year waiting period, you will become ineligible for a DBS refund.

Questions

- For answers to frequently asked questions about Refunds or the DBS program, see the CalSTRS Web site at: www.calstrs.ca.gov.

Instructions for Completing the Refund Application

Fill out your application form in black ink and keep a copy for your records. If the information is not correct and legible your check could be late or sent to the wrong address, or your application could be returned for correction. CalSTRS cannot accept applications that have been erased or with white-out. If you make a mistake, either use a new form or line through the error, make your correction and initial the correction.

Section A:

SOCIAL SECURITY NUMBER - Your Social Security number is used to identify your account. It is important to enter it correctly on each page in the space provided.

ADDRESS – Do not use abbreviations. All address changes must be received by CalSTRS in writing. If your address (or if you select a rollover, the address of your financial institution) changes within one year, send written notification to CalSTRS to the attention of: Refund Unit, Mail Station 72.

TELEPHONE NUMBER – To expedite your refund, include the telephone number where you can be reached during the day in case we need to contact you for verification of information.

Section B:

DISTRIBUTION CHOICES – One of the following distribution choices must be selected for *each* account:

- 1) Direct Payment to the Member
- 2) Rollover of DB Refund
- 3) Rollover of DBS Refund

- Separate warrants will be issued for the taxable and nontaxable portions of the distribution. Previously-taxed member contributions are not taxable and are eligible for rollover. Tax-deferred contributions and all interest on both member contributions and tax-deferred contributions are taxable when paid out and are eligible for rollover.

- If you select a rollover to an eligible employer plan, you must provide ALL requested rollover account information on the *Refund Application*. You must select either a dollar value to be rolled over or a percentage of the eligible funds, but not both. As permitted by law, CalSTRS does not rollover or withhold federal or state income tax from refunds that are less than \$200.
- Attaching financial institution transfer documents in lieu of completing the *Refund Application* may delay the processing of your application.

Signature of Institution Representative – Include the signature of an authorized representative of the institution to receive the transfer and the date the signature was obtained.

Federal and State Tax Withholding –

- Federal and California state laws require income tax withholding on distributions from pensions, annuities, and deferred compensation plans. The withholding varies based on the distribution method that is selected. CalSTRS does not provide specific tax information and recommends that you consult the Internal Revenue Service, the California Franchise Tax Board or a qualified professional for assistance in determining your tax liability.
- CalSTRS is required to withhold 30 percent federal income tax and 6 percent California state tax from all distributions mailed to a foreign country.
- Federal law prohibits California from collecting state income tax on benefits paid to recipients who reside outside the state. However, if you reside outside California and may be liable for California state tax, you may request California state tax withholding.
- Refer to the *Tax Information for Certain Payments (MS 1357)* booklet that is included

with this application packet for additional information regarding rollover and federal income tax requirements. (If you did not receive this booklet, contact your employer or CalSTRS to obtain a copy.)

Section C:

COUNTY INFORMATION - List the county in California in which you were employed. Give the last day of employment, i.e., the last day for which you were paid.

Section D:

CERTIFICATION BY SUPERINTENDENT OF

SCHOOLS - This section must be completed by your employer if you were employed within the last 12 months. Please submit a separate *Refund Application* to each County Superintendent to verify your employment termination date(s).

Section E:

SIGNATURES -

SPOUSE'S SIGNATURE – This information is mandated by law. If incomplete, your *Refund Application* cannot be processed. If you are not married, please check the appropriate box above the spouse's signature. If you are married, have your spouse sign and date the *Refund Application*. If you are married and your spouse did not sign the application, you must complete a *Justification for Non-Signature of Spouse* form and check the appropriate box above the spousal signature.

APPLICANT'S SIGNATURE - Please note that you are signing your *Refund Application* under penalty of perjury.

If your signature date precedes your employment termination date, your *Refund Application* will be invalid and returned to you.

Mailing Instructions

- If you terminated employment within the last 12 months, send your application to your County Superintendent's Office, except for the following employers:
 - a) Los Angeles Community College District: send to the Retirement Division of the individual College.
 - b) Los Angeles City Unified School District: send to P.O. Box 512298, Los Angeles, CA 90051-0298, Attn.: Controlling Division Deduction Section.
 - c) Los Angeles County: send to 9300 East Imperial Highway Room 150, Downey, CA 90242.
 - d) San Francisco Community College District: send to the individual Retirement Division of the College.
- If you terminated employment more than 12 months ago, send your application directly to: California State Teachers' Retirement System, P.O. Box 15275, MS 72, Sacramento, CA 95851-0275.

Refund Application

RF 1360 (Rev. 02/2003)

California State Teachers' Retirement System
P.O. Box 15275, MS 72, Sacramento, CA 95851-0275
1 (800) 228-5453; TDD (916) 229-3541
www.calstrs.ca.gov

California State Teachers' Retirement System will use the information on this form to refund contributions and interest from your Defined Benefit and Defined Benefit Supplement accounts.

Section A: Member Information

Name (last) (first) (initial) Social Security Number

Mailing Address (number) (street) (apt. #)

(city) (state) (zip code)

() Telephone Number (daytime) Birthdate (mo/day/yr) GENDER: ☐ Male ☐ Female

Section B: Distribution Choices

I have read the *Tax Information for Certain Payments* (MS-1357) that is included with this *Refund Application* packet and have received the 30-day notification. The 30-day notification period has either been met or I have waived the notification period and hereby apply for a lump-sum distribution.

I have selected the following distribution choices for my refund payments from CalSTRS.

*If electing: Direct Payment to Member for DB or DBS distribution – complete Section 1,
Rollover of DB – complete Section 2,
Rollover of DBS – complete Section 3.*

Place an "X" in the appropriate box(es):

1. Direct Payment to Member

☐ Defined Benefit Refund Distribution

I elect to have my DB refund distribution mailed directly to me at the address listed above.

I understand that 20 percent federal income tax will be withheld from the taxable portion of this distribution and that 6 percent California state income tax will be withheld unless I specify NO state income tax is to be withheld. However, if I reside outside California, California state income tax will not be withheld unless I specify YES. No taxes will be withheld from "post-tax" contributions.

Federal Income Tax ☒ YES

CA State Income Tax ☐ YES

☐ NO

(1. Direct Payment to Member, Continued)

☐ Defined Benefit Supplement Refund Distribution

I elect to have my DBS refund distribution mailed directly to me at the address listed.

I understand that 20 percent federal income tax will be withheld from the taxable portion of this distribution and that 6 percent California state income tax will be withheld unless I specify NO state income tax is to be withheld. However, if I reside outside California, California state income tax will not be withheld unless I specify YES. No taxes will be withheld from "post-tax" contributions.

Federal Income Tax ☒ YES

CA State Income Tax ☐ YES ☐ NO

2. Rollover of DB Refund

☐ Rollover of DB Refund

Rollover of DB Pre-Tax Contributions and all Interest

I elect a direct trustee-to-trustee transfer of DB pre-tax contributions and all interest to the qualified trust plan listed below. Any monies not designated for transfer will be mailed to me.

☐ TRADITIONAL IRA

☐ ELIGIBLE EMPLOYER PLAN

Amount to Transfer \$ _____ **OR** Percentage to Transfer (Indicate 1-100 percent) _____ %

Financial Institution Information (to be filled out by Institution Representative):

Account Number

Telephone Number

Name of the Financial Institution

Institution Mailing Address



Signature of Institution Representative

Date (mo/day/yr)

I understand that federal and state income tax will not be withheld from the portion of the distribution that is transferred. I understand that the balance I receive directly is subject to 20 percent federal withholding and, unless I specify NO state income tax is to be withheld, 6 percent California state income tax will be withheld. However, if I reside outside California, California state income tax will not be withheld unless I specify YES.

Direct Receipt By Member

Federal Income Tax ☒ YES
CA State Income Tax ☐ YES ☐ NO

Transferred to IRA or Eligible Employer Plan

Federal Income Tax ☒ NO
CA State Income Tax ☒ NO

(2. Rollover of DB Refund, Continued)**Rollover of DB Post-Tax Contributions**

I elect a direct trustee-to-trustee transfer of DB post-tax contributions to the qualified trust plan listed below. Any monies not designated for transfer will be mailed to me.

☐ TRADITIONAL IRA

☐ ELIGIBLE EMPLOYER PLAN

Amount to Transfer \$ _____ **OR** Percentage to Transfer (Indicate 1-100 percent) _____ %

Financial Institution Information (to be filled out by Institution Representative):

Account Number

Telephone Number

Name of the Financial Institution

Institution Mailing Address

I understand that this is a direct transfer of post-tax contributions and this institution agrees to accept this transfer.



Signature of Institution Representative

_____/_____/_____
Date (mo/day/yr)

I understand that federal and state income tax will not be withheld from any portion of the DB post-tax distribution.

3. Rollover of DBS Refund
☐ Rollover of DBS Refund
Rollover of DBS Pre-Tax Contributions and all Interest

I elect a direct trustee-to-trustee transfer of DBS pre-tax contributions and all interest to the qualified trust plan listed below. Any monies not designated for transfer will be mailed to me.

☐ TRADITIONAL IRA

☐ ELIGIBLE EMPLOYER PLAN

Amount to Transfer \$ _____ **OR** Percentage to Transfer (Indicate 1-100 percent) _____ %

Financial Institution Information (to be filled out by Institution Representative):

Account Number

Telephone Number

Name of the Financial Institution

Institution Mailing Address



Signature of Institution Representative

_____/_____/_____
Date (mo/day/yr)

I understand that federal and state income tax will not be withheld from the portion of the distribution that is transferred. I understand that the balance I receive directly is subject to 20 percent federal withholding and, unless I specify NO state income tax is to be withheld, 6 percent California state income tax will be withheld. However, if I reside outside California, California state income tax will not be withheld unless I specify YES.

Direct Receipt By Member

Federal Income Tax ☒ YES

CA State Income Tax ☐ YES ☐ NO

Transferred to IRA or Eligible Employer Plan

Federal Income Tax ☒ NO

CA State Income Tax ☒ NO

(3. Rollover of DBS Refund, Continued)

Rollover of DBS Post-Tax Contributions

I elect a direct trustee-to-trustee transfer of DBS post-tax contributions to the qualified trust plan listed below. Any monies not designated for transfer will be mailed to me.

☐ TRADITIONAL IRA

☐ ELIGIBLE EMPLOYER PLAN

Amount to Transfer \$ _____ **OR** Percentage to Transfer (Indicate 1-100 percent) _____ %

Financial Institution Information (to be filled out by Institution Representative):

Account Number _____

Name of the Financial Institution _____

Institution Mailing Address _____

I understand that this is a direct transfer of post-tax contributions and this institution agrees to accept this transfer.



Signature of Institution Representative

_____/_____/_____
Date (mo/day/yr)

I understand that federal and state income tax will not be withheld from any portion of the post-tax distribution.

Section C: County of Employment

List the county in which you were last employed and your last day of employment. If you were employed by more than one county, you must submit a separate *Refund Application* certified by each County Superintendent.

County of Employment

Last day of Employment

County of Employment

Last day of Employment

Section D: Certification By Superintendent Of Schools

This section must be completed by your employer if you were employed within the last 12 months.

An employee must terminate employment before applying for a DB and DBS refund. I hereby certify that the individual named below has completely terminated all employment with this county or independent district.

Employee Name

(last)

(first)

(initial)

_____-_____-_____
Social Security Number

Termination Date (mo/day/yr)

County Code

Unit Code

Telephone Number



Signature of County Superintendent

Official Title

_____/_____/_____
Date (mo/day/yr)

Section E: Signatures

If no spouse's signature is below, please check the appropriate box:

- ☐ I am not married (single, divorced, or widowed).
- ☐ I am married but my spouse did not sign. I have completed the attached *Justification for Non-Signature of Spouse (MS 1125A)*.

**SPOUSE'S SIGNATURE**

/ /

DATE (mo/day/yr)

I have read the information and instructions for the DB and DBS refund and hereby apply for a refund. I understand that by taking a DB and DBS refund, I forfeit all rights to CalSTRS benefits. I understand that if all requested information is not provided, a delay in processing may occur or my application may be returned. In order to receive my DB and DBS refund, I must have terminated all CalSTRS-covered employment in the California public school system.

I certify under penalty of perjury under the laws of the state of California that the information submitted here is full, complete and true according to the best of my knowledge, and that no material facts have been omitted, and that the spousal signature is in fact the true signature of my spouse; or if no spouse signature appears, that I have completed the *Justification for Non-Signature of Spouse (MS-1125A)* or I am not married and have checked the box above. I understand that perjury is punishable by imprisonment in the state prison for up to four years. (Penal Code Section 126)

**APPLICANT'S SIGNATURE**

/ /

DATE (mo/day/yr)

**See Mailing Instructions.
Retain a copy for your records.**